

105th Congress, 1st Session - - - - - House Document 105-90

**FY 1998 BUDGET AMENDMENT FOR THE DEPARTMENT
OF DEFENSE HEALTH PROGRAM**

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

AN FY 1998 BUDGET AMENDMENT TO COVER A SHORTFALL IN
THE DEPARTMENT OF DEFENSE HEALTH PROGRAM, PURSUANT
TO 31 U.S.C. 1106(b)



JUNE 3, 1997.—Referred to the Committee on Appropriations and ordered
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WASHINGTON : 1997

THE WHITE HOUSE,
Washington, June 3, 1997.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I ask Congress to consider an FY 1998 budget amendment to cover a shortfall in the Department of Defense Health Program. The amendment would provide \$261 million in additional funds to ensure that all beneficiaries will have access to quality health care.

The Defense Health Program provides health care to active duty forces and other eligible beneficiaries, and maintains military readiness by providing medical support and services to the armed forces during military operations. The increased appropriation would be used to supplement direct patient care in the military treatment facilities and to implement the contracts that constitute the Department of Defense's managed care network, TRICARE.

The requested increase in budget authority is offset fully by reductions to requests for funds available to other accounts within the Department of Defense. These reductions would have no impact on defense readiness. FY 1998 outlays would increase by \$7 million. This increase is consistent with the increased outlay amounts assumed in the Bipartisan Budget Agreement for the Department of Defense.

In addition, I ask the Congress to consider a technical amendment that would update the Department of the Interior General Provisions for the recently revised five-year plan for Outer Continental Shelf oil and gas leasing.

The details of this request are provided in the enclosed letter from the Director of the Office of Management and Budget. I concur with his comments and observations.

Sincerely,

WILLIAM J. CLINTON.

Enclosures.



THE DIRECTOR

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

June 3, 1997

The President

The White House

Submitted for your consideration is an FY 1998 budget amendment to provide an additional \$261 million for the Department of Defense (DoD) Health Program. This increase would cover shortfalls in two essential components of the Defense Health Program: the direct patient care component provided by DoD's own treatment facilities, and the managed care contract component known as TRICARE. The requested \$261 million, together with an additional \$13 million in savings within the Defense Health Program account, would provide a total of \$274 million, of which \$219 million would be for direct patient care and \$55 million would be for completing contracts with civilian providers in the TRICARE program network.

The Defense Health Program provides health care to active duty forces and other eligible beneficiaries in peacetime and maintains military readiness by providing medical support and services to the armed forces during military operations. This amendment would ensure that military beneficiaries continue to have access to quality health care.

The requested \$261 million increase in budget authority would be offset fully by reductions to funds requested for the Operation and Maintenance and Military Personnel pay accounts within DoD. The amounts proposed for reduction are in excess of DoD's requirements and reflect savings possible due to favorable updates of foreign currency rates. These reductions would have no impact on defense readiness. FY 1998 outlays would increase by \$7 million. This increase is consistent with the increased outlay amounts assumed in the Bipartisan Budget Agreement for the Department of Defense.

Also submitted for your consideration is a technical FY 1998 budget amendment that would update Department of the Interior General Provisions language concerning the Outer Continental Shelf oil and gas leasing moratoria. The General Provisions would be updated for the recently completed Minerals Management Service final plan for the Outer Continental Shelf Five-Year Oil and Gas Leasing Program, 1997-2002. The amended language continues the moratoria in the North Aleutian Bay of Alaska and the Mid-Atlantic and South-Atlantic Ocean. It also reflects inclusion in the five-year plan of a sale in a small area offshore Florida and Alabama that was previously under moratoria. The governors of Florida and Alabama have expressed their support for this sale, to be held in 2001.

I have carefully reviewed these proposals and am satisfied that they are necessary at this time. Therefore, I join the Secretaries of Defense and the Interior in recommending that you approve these requests by signing the enclosed letter to the Speaker of the House of Representatives.

Sincerely,

A handwritten signature in black ink, appearing to read 'Franklin D. Raines', with a stylized flourish at the end.

Franklin D. Raines
Director

Enclosures

FY 1998 BUDGET AMENDMENT

Agency: DEPARTMENT OF DEFENSE -- MILITARY

Bureau: OPERATION AND MAINTENANCE

Heading: Defense Health Program

FY 1998 Budget
Appendix Page: 320

FY 1998 Pending Request: \$10,040,650,000 (Total)
\$ 9,766,582,000 (Operation and Maintenance)

Proposed Amendment: \$261,000,000 (Operation and Maintenance)

Revised Request: \$10,301,650,000 (Total)
\$10,027,582,000 (Operation and Maintenance)

(In the appropriations language under the above heading, delete "\$10,040,650,000" and substitute \$10,301,650,000; delete "\$9,766,582,000" and substitute \$10,027,582,000.)

This proposal would increase the appropriations request to a funding level that the Administration believes is necessary to ensure that all eligible beneficiaries have access to quality health care. The increase in funding would be applied to two essential components of the Defense Health Program: \$219 million would fund fully the direct patient care component; and, \$55 million would fund fully the Managed Care Support contract component.

The gross increase of \$274 million to these health care components would be offset partially by \$13 million in foreign currency adjustment savings within the Defense Health Program account. The net increase of \$261 million to the account would be offset fully by reductions to various Military Personnel and Operation and Maintenance accounts within the Department of Defense.

This proposed amendment would increase FY 1998 outlays by \$215 million.

FY 1998 BUDGET AMENDMENT

Agency: DEPARTMENT OF DEFENSE -- MILITARY
Bureau: MILITARY PERSONNEL
Heading: Military Personnel, Army
**FY 1998 Budget
Appendix Page:** 297
FY 1998 Pending Request: \$20,529,257,000
Proposed Amendment: -\$37,000,000
Revised Request: \$20,492,257,000

This proposal would decrease the appropriations request to reflect savings from recent advantageous changes in foreign currency rates.

The proposed amendment would reduce FY 1998 outlays by \$35 million.

FY 1998 BUDGET AMENDMENT

Agency: DEPARTMENT OF DEFENSE -- MILITARY
Bureau: MILITARY PERSONNEL
Heading: Military Personnel, Navy
FY 1998 Budget
Appendix Page: 298
FY 1998 Pending Request: \$16,510,118,000
Proposed Amendment: -\$9,000,000
Revised Request: \$16,501,118,000

This proposal would decrease the appropriations request to reflect savings from recent advantageous changes in foreign currency rates.

The proposed amendment would reduce FY 1998 outlays by \$9 million.

FY 1998 BUDGET AMENDMENT

Agency: DEPARTMENT OF DEFENSE – MILITARY
Bureau: MILITARY PERSONNEL
Heading: Military Personnel, Marine Corps
**FY 1998 Budget
Appendix Page:** 299
FY 1998 Pending Request: \$6,151,599,000
Proposed Amendment: -\$4,000,000
Revised Request: \$6,147,599,000

This proposal would decrease the appropriations request to reflect savings from recent advantageous changes in foreign currency rates.

The proposed amendment would reduce FY 1998 outlays by \$4 million.

FY 1998 BUDGET AMENDMENT

Agency: DEPARTMENT OF DEFENSE -- MILITARY
Bureau: MILITARY PERSONNEL
Heading: Military Personnel, Air Force
**FY 1998 Budget
Appendix Page:** 300
FY 1998 Pending Request: \$17,166,556,000
Proposed Amendment: -\$12,000,000
Revised Request: \$17,154,556,000

This proposal would decrease the appropriations request to reflect savings from recent advantageous changes in foreign currency rates.

The proposed amendment would reduce FY 1998 outlays by \$11 million.

FY 1998 BUDGET AMENDMENT

Agency: DEPARTMENT OF DEFENSE -- MILITARY
Bureau: OPERATION AND MAINTENANCE
Heading: Operation and Maintenance, Army
FY 1998 Budget
Appendix Page: 305
FY 1998 Pending Request: \$17,215,484,000
Proposed Amendment: -\$116,000,000
Revised Request: \$17,099,484,000

(In the appropriations language under the above heading, delete "\$17,165,484,000" and substitute \$17,049,484,000.)

This proposal would decrease the appropriations request to reflect savings from recent advantageous changes in foreign currency rates.

The proposed amendment would reduce FY 1998 outlays by \$87 million.

FY 1998 BUDGET AMENDMENT

Agency: DEPARTMENT OF DEFENSE -- MILITARY
Bureau: OPERATION AND MAINTENANCE
Heading: Operation and Maintenance, Navy
FY 1998 Budget
Appendix Page: 307
FY 1998 Pending Request: \$21,581,130,000
Proposed Amendment: -\$23,000,000
Revised Request: \$21,558,130,000

(In the appropriations language under the above heading, delete "\$21,531,130,000" and substitute \$21,508,130,000.)

This proposal would decrease the appropriations request to reflect savings from recent advantageous changes in foreign currency rates.

The proposed amendment would reduce FY 1998 outlays by \$18 million.

FY 1998 BUDGET AMENDMENT

Agency: DEPARTMENT OF DEFENSE -- MILITARY
Bureau: OPERATION AND MAINTENANCE
Heading: Operation and Maintenance, Marine Corps
FY 1998 Budget
Appendix Page: 308
FY 1998 Pending Request: \$2,305,345,000
Proposed Amendment: -\$4,000,000
Revised Request: \$2,301,345,000

This proposal would decrease the appropriations request to reflect savings from recent advantageous changes in foreign currency rates.

The proposed amendment would reduce FY 1998 outlays by \$3 million.

FY 1998 BUDGET AMENDMENT

Agency: DEPARTMENT OF DEFENSE -- MILITARY
Bureau: OPERATION AND MAINTENANCE
Heading: Operation and Maintenance, Air Force
FY 1998 Budget
Appendix Page: 309
FY 1998 Pending Request: \$18,910,785,000
Proposed Amendment: -\$43,000,000
Revised Request: \$18,867,785,000

(In the appropriations language under the above heading, delete "\$18,860,785,000" and substitute \$18,817,785,000.)

This proposal would decrease the appropriations request to reflect savings from recent advantageous changes in foreign currency rates.

The proposed amendment would reduce FY 1998 outlays by \$31 million.

FY 1998 BUDGET AMENDMENT

Agency: DEPARTMENT OF DEFENSE -- MILITARY
Bureau: OPERATION AND MAINTENANCE
Heading: Operation and Maintenance, Defense-Wide
FY 1998 Budget
Appendix Page: 310
FY 1998 Pending Request: \$10,403,938,000
Proposed Amendment: -\$13,000,000
Revised Request: \$10,390,938,000

This proposal would decrease the appropriations request to reflect savings from recent advantageous changes in foreign currency rates.

The proposed amendment would reduce FY 1998 outlays by \$10 million.

FY 1998 BUDGET AMENDMENT

Agency: DEPARTMENT OF THE INTERIOR

Heading: General Provisions, Department of the Interior

FY 1998 Budget Appendix Page: 651

FY 1998 Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In Section 108 under the above heading, delete "leasing, or the approval or permitting of any drilling or other exploration activity," and insert offshore oil and natural gas preleasing, leasing, and related activities; delete Section 109 and Section 110 and substitute the following:)

Sec. 109. No funds provided in this title may be used by the Department of the Interior to conduct offshore oil and natural gas preleasing, leasing, and related activities in the Eastern Gulf of Mexico planning area for any lands located outside Sale 181, as identified in the final Outer Continental Shelf 5-Year Oil and Gas Leasing Program, 1997-2002.

Sec. 110. No funds provided in this title may be used by the Department of the Interior to conduct offshore oil and natural gas preleasing, leasing, and related activities in the Mid-Atlantic and South Atlantic planning areas.

This proposal would amend pending Interior Department general provisions concerning Outer Continental Shelf oil and gas leasing activities. It would make the provisions consistent with sales included in the final Outer Continental Shelf 5-Year Oil and Gas Leasing Program, 1997-2002. In addition, sales cited in the current Sections no longer exist. This proposal would also update the title of the 5-Year Plan.

This amendment would not affect the proposed budget totals.

